

IN THE MATTER of the Resource Management Act 1991 (“RMA” or “the Act”)

AND

IN THE MATTER of a submission by **AMBURY PROPERTIES LIMITED** in respect of the **PROPOSED WAIKATO DISTRICT PLAN** pursuant to Clause 6 of Schedule 1 of the Act seeking the rezoning of land at Ohinewai

SUMMARY STATEMENT OF DR BRENT WHEELER IN RESPECT OF ECONOMIC ISSUES IN PREPARATION FOR EXPERT CONFERENCING

1. INTRODUCTION

- 1.1 My name is Brent Wheeler. I am a consulting economist and director of the economic consultancy, Brent Wheeler Limited. I have, alongside Property Economics, been advising Ambury Properties Limited (“APL”) in relation to economic issues relevant to its submission seeking the rezoning of land at Ohinewai.
- 1.2 I will be presenting expert evidence at the hearing of the Ohinewai submissions. That evidence is due in July 2020. In the meantime, this statement has been prepared in preparation for expert conferencing in relation to economic issues that has been scheduled for 15 (Business zone) and 16 (Residential zone) June 2020, in compliance with the direction from the Hearing Panel that APL is to provide a summary of our position on the topics that are to be the subject of expert conferencing.
- 1.3 This statement should be read alongside the statements prepared by Tim Heath and Phil Osborne of Property Economics as we have worked together and focussed on different areas as regards economic issues and effects.

Key relevant planning matters

1.4 The key planning matters relevant to this statement relate to whether any potential adverse economic effects of the implementation of the Ohinewai Structure Plan:

- (a) Are sufficiently contrary to the Waikato RPS as to be declined;
- (b) Are so adverse that the Residential and Business zones proposed do not represent the "most appropriate" planning outcome.

Scope of statement

1.5 As a basis for expert conferencing, this statement will:

- (a) Identify what I see as being the key issues for determination in relation to the proposed Residential zones, set out my expert opinion on that issue and the reasons for my views (Section 2); and
- (b) Set out my core conclusions (Section 3).

1.6 For clarity, the key issues that I address in this statement are those that I understand are not agreed, based on the section 42A report and / or correspondence or discussions with further submitters.

Expert Witness Code of Conduct

1.7 I have read the Code of Conduct for Expert Witnesses, contained in the Environment Court Consolidated Practice Note (2014) and I agree to comply with it. I can confirm that the issues addressed in this statement are within my area of expertise and that in preparing my statement I have not omitted to consider material facts known to me that might alter or detract from the opinions expressed.

2. KEY ISSUES RELEVANT TO THE ECONOMIC EFFECTS OF THE PROPOSED RESIDENTIAL ZONE AND MY OPINION ON THESE ISSUES

2.1 I have worked with Mr Olliver and others to identify the key issues that need to be determined in relation to economic effects. The purpose of this section is to set out the issue and then my expert opinion in relation to that issue, and the reasons for my opinion.

Housing capacity

Is there a long term or short term shortfall in housing capacity in this part of the Waikato District?

- 2.2 In my view the issue concerns not simply “housing” alone. Housing is a comprehensive concept involving numerous niches, time frames and costs. Consequently:
- (a) There may or may not be quantity surpluses and shortfalls in each of the several segments of the housing market in each of several timeframes for each of several price and conditions “bands”;
 - (b) The issue is more appropriately thought of as one involving accessibility both on an individual and a portfolio basis, recognising that no case is static or fixed; and,
 - (c) Awkward as this turns out to be, no simple statement of a “not enough houses” or “too many houses” variety is especially helpful.

Level of housing demand generated by business development at Ohinewai

What level of demand for housing would be generated by the commercial and industrial development provided for in the Ohinewai Structure Plan?

- 2.3 In my view:
- (a) Generally, this issue should be thought of in respect of:
 - (i) The differing segments of the workforce to be accommodated; and,
 - (ii) The fact that the development will not be able to operate without “sufficient housing at an appropriate price” being accessible.
 - (b) There are multiple accommodation responses and potential responses and thus “demand” is not a static or single number phenomenon.
 - (c) The proposal as submitted establishes the potential for a more than sufficient supply of typical “family” style homes. This, however:
 - (i) May be supplemented by other housing forms – through variations in design, accommodation off site, marae, and the entire plethora of housing variants;

- (ii) May be supplemented by “out of district” accommodation both relatively near or more distant depending on price and transport costs; and
- (iii) Is almost certainly likely to alter over time as the demographic mix shifts, through aging, through household formation cycles for some but not others and through a wide variety of housing preferences.

Effect of Covid-19 Pandemic

What significance do the likely effects of the pandemic have in terms of the responses to the above questions?

2.4 In my opinion, effects of the pandemic are:

- (a) The introduction of a very high level of uncertainty, including significant threats to economic and employment security;
- (b) A requirement, therefore, for application of extraordinary levels of flexibility and adaptation in assessing housing development;
- (c) A willingness to move beyond standard patterns and aspirations of the past which, while arguably serving the community well previously, are not necessarily applicable in the current and likely future environment.

CONCLUSION

2.5 For the reasons outlined above, and as a result of my broader analysis, there is in my professional opinion no reason on the basis of economic effects why the rezoning of Ohinewai cannot be approved as proposed.

Brent Wheeler

28 May 2020